THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The extent of growth of revenue from the income tax and service tax during the last three years is as under:

(Rs. in crores)

Head	2003-04		2004-05		2005-06 (Prov.)	
	Rev. realised	Growth over prev. year	Rev. realised	Growth over prev. year	Rev. realised	Growth over prev. year
Income tax	1,05,088	26.48%	1,32,771	26.34%	1,65,208	24.43%
Service tax	7891	91.4%	14200	80%	24039	69.3%

The increase in direct tax collections has been below the estimates of the Government in financial years 2004-05 and 2005-06. The collection of service tax during the last three years is higher than the budget estimates of that year except in the year 2003-04.

(b) Search and seizure actions undertaken by the Government have proved to be an important instrument for combating tax evasion and unearthing unaccounted assets.

(c) and (d) At present there is no proposal to scrap the provisions relating to search and seizure under the income-tax Act, 1961.

Purchase of Stationery from Kendriya Bhandar

2334. SHRI MOTIUR RAHMAN: Will the Minister of FINANCE be pleased to state:

(a) whether Committee of Secretaries (CoS) took a decision in its meeting held on 2nd June, 2004 that purchases of stationery, etc. Upto Rs. 10,000/- will be made from Kendriya Bhandar as they have given employment to a large number of people;

(b) whether that decision had nothing to do with General Financial Rules (GFRs);

(c) if so, the reasons for his Ministry harping that the decision could not be implemented because of new GFRs coming into force thereafter; and

(d) the steps taken to implement CoS decision forthwith?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (d) A meeting of the Committee of Secretaries (CoS) was held on 2.06.04, to review DoPT's instructions dated 14.07.1981, regarding mandatory purchases of stationery/other items from Multi State Co-operative Societies. Taking various factors into account, including that the co-operative were employing a large number of personnel, CoS recommended that purchases up to Rs. 10,000/- may be made directly from Kendriya Bhandar/NCCF on listed prices without any tender. It was also recommended that purchase between Rs. 10,000/- Rs. 2,00,000/- would require limited tender from all cooperatives and purchases beyond Rs. 2 lakh would be through open tenders. The CoS recommendation was intended to align the then prevailing purchase preference to Kendriya Bhandar etc. with the General Financial Rules, 1963. However, new/updated GFRs were promulgated with effect from July, 2005, wherein the existing limit for purchases of stationery and other articles have also been revised. Accordingly, as per Rule 145 of GFRs, 2005, purchase of goods up to the value of Rs. 15,000/- may be made without inviting quotations or bids on the basis of a certificate. Also, as per Rule 146 of GFRs, purchase of goods costing between Rs. 15,000/- to Rs. 1,00,000/- may be made on the recommendations of a Local Purchase Committee. However, the issue regarding special dispensation to Kendriya Bhandar etc. is being reviewed in consultation with DoPT, as assured by the Hon'ble Finance Minister on 9th March, 2007, while responding to Lok Sabha Starred Question No. 168.

Increase in Benami Deals

2335. SHRI TARIQ ANWAR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that benami deals and incidents of tax avoidance has increased after foreign direct investment;

(b) if so, the details thereof; and

(c) whether any proposal has been sent for checking these deals?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) No empirical evidence/study has